

April 10, 2025

The Honourable Lisa Dempster, Minister
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Minister Responsible for Labour
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and The Honourable Gerry Byrne,
Minister of Fisheries Forestry and Agriculture
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Dear Ministers Dempster and Byrne:

Price and Conditions of Sale of Crab 2025 season

I write on behalf of the Standing Fish Price-Setting panel in relation to section 19.01 and 19.11 of the *Fishing Industry Collective Bargaining Act*. The panel conducted a hearing into the price and conditions of sale of crab in the province on April 6, 2025.

In accordance with section 19.01, the date by which the price of crab is to be set is April 13, 2025 (the “Minister’s date”). In accordance with section 19.11 we are to notify you and the parties of the price and conditions of sale three days in advance of the Minister’s date, which is today.

The panel has reviewed and considered the positions of the parties. Our decision is not a unanimous one. Therefore, we are providing you with our brief decision on the price and conditions of sale of crab below, with our full written reasons for the majority and dissenting opinion to follow in due course.

Interest arbitration on the conditions of sale

The parties agreed as to the conditions of sale matters included in the Collective Agreement and settled any disputes for the 2025 season prior to this hearing. Therefore, the Panel has not made any determination concerning the conditions of sale of Crab for 2025.

Conclusion re price-setting formula:

The Panel has determined that the raw material price paid to harvesters though the 2025 season shall be in accordance with the formula proposed by FFAW to the Panel on April 5, 2025, including but not limited to all the details contained therein as to independent verification at the end of the season, the date for the calculation, and the date by which any year-end settlement must be concluded. The Panel reminds the parties that this decision is based on the presentations made solely for the 2025 fishing season. This formula is for the 2025 season only.

Therefore, for the 2025 crab season, the price for raw material – crab - in Newfoundland and Labrador shall be set as follows:

Initial Start Price: Currently, the UB index indicates that the start price of crab is between \$9.25 and \$9.75 USD. Using the current conversation rate for the week prior: 1.42, at \$8.75 USD, this would be \$4.97 CAD as a floor price.

Year-End Settlement Mechanism (Market-Based Adjustment): Final settlement price at year-end will be based on a three-tier price scale as depicted in the table below.

Tier 1: final percentage market share to harvesters will be between 40% to 45% when average crab prices are between \$6.00 and \$8.50, using the formula $Y = 0.02X_2 + 0.28X$.

Tier 2: final percentage market share to harvesters will be between 45 and 48% when average crab prices are between \$8.51 and \$10.60 using formula $Y = 0.0143X_2 + 0.3284X$.

Tier 3: final percentage market share to harvesters will be fixed at 48% when average crab prices exceed \$10.60 (CAD).

Raw Material Price Range (\$CAD/ lb.)	Final Share to Harvesters (%)	Market-based Adjustment (%)	Formula	Comments
\$6.00 – \$8.50	40 – 45%	0 – 5%	$Y = 0.02X_2 + 0.28X$	X = Average Market Price
\$8.50 – \$10.60	45 – 48%	5 – 8%	$Y = 0.0143X_2 + 0.3284X$	Y = Harvester's Share of market
Above \$10.60	48% (Flat Rate)		Maximum 8%	

All other details are articulated in the FFAW brief from pages 14-16.

Tariff Contingency

Harvesters will bear 30% of the tariff burden imposed: their original 20% plus half of the consumer portion (10%). If a tariff comes in at 25%, the harvesters agree to take 30% of that 25% (7.5%). If a tariff were to come in at 10%, harvesters would take 30% of that amount (3%).

If Tariffs continue throughout the season that it will be treated similarly on the final calculation: 30% of whatever amount is included in the invoice pricing.

Force Majeure Clause: At a UB price of \$10.30 CAD (as calculated by the prevailing exchange rate at the time – currently \$7.25 USD) the final reconciliation amount paid to harvesters would be based on a price of below \$4.97, which is the proposed floor price. As such, any amount below that triggers an automatic reconsideration of the floor price should the market price drop below \$10.30/lb. CAD, based on any two consecutive Urner Barry quote prices.

Included in this is the 2025 Snow Crab Schedule, attached for reference.

These prices will form a collective agreement or part of a collective agreement binding on all processors that purchase the species Snow Crab in 2025.

Brian Vallis, Dissenting

Sincerely,



SHEILAGH M. MURPHY, KC
Chair

cc. Jeff Loder, ASP, jlodder@seafoodproducers.org
Ray Critch rcritch@ffaw.ca
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/attachment

2025 Crab Schedule

The prices and related terms and conditions for crab for 2025 are set out in this Schedule.

This schedule and the Master Collective Agreement dated September 17, 2020 together constitute a Crab Collective Agreement between the parties for the purposes of the *Fishing Industry Collective Bargaining Act*.

1. Pricing structure as proposed in our 2025 submission, April 5, 2025.
2. There will be a 20% tolerance for legal size crab <4% in each landing. This means the first 20% of legal size crab < 4" in each landing will be paid at the price for greater than or equal to 4" crab. For all legal size crab < 4" landed greater than 20% of the shipment will be paid \$0.30 less than the formulated price from #1 above.
3. Prices are based on legal sized crab (at least 3 $\frac{3}{4}$ ").
4. Crab shall be properly iced at sea or held in a Refrigerated Sea Water (RSW) system or Recirculating Sea Water System that maintains the crab at a temperature below 4°C as per section 24(1) (f) of the Fish Inspection Operations Regulations.
5. The companies will ensure adequate quantities of ice are available to fish harvesters.
6. Subject to paragraph 4, there will be a tolerance of 5% for critically weak crab, i.e., the first 5% of critically weak crab in each landing will be paid as per the price schedule. All critically weak crab in excess of 5% will be reject crab.
7. If the dockside grading report for a landing of crab exceeds 20% critically weak and/or 4% dead, the grader will immediately notify the inspection branch of the Department of Fisheries and Aquaculture. The harvester will be paid on the basis of the results of the DFA representative's inspection of the crab, provided that the maximum percentage of reject crab in the landing will be the amount obtained by adding the percentage of dead crab as per the grader's report to the amount of critically weak crab as per the grader's report.
8. Fishers will be receipted for their crab at dockside. The percentage of reject crab will be determined by the quality grader at dockside. The percentage of reject crab will be reflected in the receipt issued to the fisher at dockside. The fisher will be paid for no less than the quantity shown on the receipt, adjusted to take into account the tolerance for critically weak crab as outlined in Paragraphs 6 and 7 above. Both the fisher and the buyer have the right to a regrade in accordance with the provisions of the "Snow Crab – Size and Quality Determination" document, which is attached to and forms part of this agreement.

9. The following trip limits will apply for the 2024 crab season:

All Fleets

April 1-April 30	As per DFO license conditions
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May 1 – May 31	45,000 lbs per trip
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June 1 to End of Season	25,000 lbs per trip – Single
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Enterprises 44,000 lbs per trip – Combined/Buddy Up	
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RSW Option	60,000 lbs per week
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3K

May 1 – May 14	45,000 lbs per trip
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May 15 to End of Season	40,000 lbs per trip – Single
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Enterprises 44,000 lbs per trip – Combined/Buddy Up	
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RSW Option

June 1 to End of Season	60,000 lbs per week
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May 1 – May 31	50,000 lbs per week
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3LNO Fulltime & Large Supplementary

May 1 – May 31	39,000 lbs per trip
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June 1 to End of Season	45,000 lbs per trip
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RSW Option

May 1 – May 31	50,000 lbs per week
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June 1 to End of Season	60,000 lbs per week
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3L Small Supplementary

May 1 to May 31 30,000 lbs per week – Single

Enterprises 30,000 lbs per trip, 50,000 lbs per week –
Combined/Buddy Up

June 1 to End of Season 30,000 lbs per trip

3Ps

May 1 to End of Season 25,000 lbs per trip

10. Barnacle Provision

A crab will be deemed to be "heavily infested" if the number of barnacles from the right side of the animal is 15 or greater. The weight of each shipment will be reduced by .24 times the percentage of the total shipment which is heavily infested. The amount for which the harvester is received and paid and the amount charged against the harvester's IQ will be the net of the deduction for heavily infested crab. Incidence of barnacles does not affect the grading results.

11. The Parties to this Agreement undertake to implement the provisions of the attached Discharge / Trucking/ Handling Protocol.
12. This Schedule will be in effect to the end of the 2024 crab fishery.
13. Fish Harvesters' Resource Centre (FHRC) will be the exclusive dockside monitoring company for the crab fishery and the exclusive dockside grading company shall be IDG.
14. The terms and conditions of this Agreement many be amended by mutual consent.

Discharge/Trucking/Handling Protocol - Crab

The following protocols for crab discharge, handling and trucking provide processors, dischargers and transporters with a results based action plan for ensuring that crab is maintained at the proper temperatures and holding conditions required to maximize quality. These protocols are in accordance with the management plan, the task force report and the Department of Fisheries and Aquaculture's Fish Inspection Regulations. Processors have the responsibility to ensure that these protocols are adhered to and are responsible for ensuring that their shore agents and truckers abide by these protocols.

Requirements (as per the Fish Inspection Operations Regulations: 76/07)

- Maintenance of crab at a temperature of 0 to 4 degrees Celsius from the vessel through processing;
- Maintenance of crab in an enclosure or area of containment in which the relative humidity is greater than 75%;
- Protection of crab from physical damage, contamination and weather at all times;
- Stowage of crab in a container so that the depth of crab and ice does not exceed 90 centimetres but in--any event so that the minimum distance between the crab and ice and the top of the container is 4 centimetres; and
- The utilization of handling practices that minimize the downgrading of crab from the boat through processing.

Prerequisites

- Adherence by harvesters to established protocols and regulations on: temperature, box weight and handling.
- Crab landings not meeting established guidelines, i.e., where grading samples exceed 4% dead or 20% critically weak, will be immediately reported to DFFA for inspection and harvesters notified. Protocols Unloading and Transport
- Unloading will occur at a suitable storage area which is conducive to maintaining crab at temperature of 0 to 4 degrees Celsius;
- Acceptable truck loading facilities must be available at the wharf. Required to eliminate crab trauma caused by throwing pans aboard the truck;

- Transport methods and handling must be conducive to maintaining the temperature at 0 to 4 degrees Celsius;
- Boxes must be stowed "so that the depth of fish (crab) and ice does not exceed 90 centimetres but in any event so that the minimum distance between the fish and ice and the top of the container is 4 centimetres ... A container ... may be placed on top of another container provided no pressure is, as a result, exerted on fish (crab) in the container on which it is placed" (Fish Inspection Operations Regulations: 76/07 s24 (1)(e) and (2));
- Prior to departure from the dock, truck operators must obtain a record detailing: time(s) and location(s) of loading, weight per lot, temperature records at the time of loading and should develop a loading plan identifying each load. Temperatures must be checked and recorded prior to discharge.

Plant Holding

- Crab should be stored in lots in a CFIA approved holding area;
- Temperatures and box stowage must be maintained within established guidelines during holding;
- Records detailing the arrival time of the crab, its temperature and box weights at arrival, holding room temperatures, and lot locations must be maintained.
